



*The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Division of Health Care Finance and Policy*

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April 12, 2011

Donald M. Berwick, M.D., Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS-9981-P
P.O. Box 8010
Baltimore, MD 21244-8010

Dear Dr. Berwick:

The Massachusetts Division of Health Care Finance and Policy (Division) is pleased to offer comments on the proposed rule, Student Health Insurance Coverage. The Division appreciates the guidance provided by the proposed rule and respectfully submits the following comments seeking clarification on whether students enrolled in institutions of higher education are eligible for the Medicaid expansion specified in Section 2001 of the Patient Protection and Affordable Care Act (ACA).

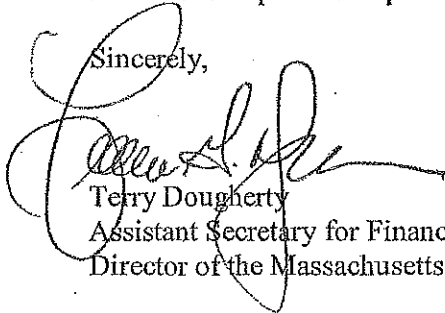
Under Section 2001 of the ACA, non-pregnant, non-Medicare eligible, childless adults below age 65 who are not otherwise categorically eligible for Medicaid, with incomes up to 133% of the Federal Poverty Level (FPL), will be eligible for Medicaid beginning in 2014. Section 1401 of the ACA stipulates that income eligibility for this expansion will be determined using "modified adjusted gross income." This implies that students who are claimed as dependents by their parents on their tax returns will be determined for Medicaid eligibility using both individual and parental income. Students who are not claimed as dependents will be determined using their own income. Such a reading would result in a Medicaid denial for students whose family income exceeds 133% FPL, while continuing to allow students with a family income below 133% FPL to stay on Medicaid as long as their parents claim them as dependents.

Currently in Massachusetts, students on Medicaid whose family incomes are below the income guidelines lose Medicaid eligibility once they reach age 19. Under the current Massachusetts student health insurance regulation 114.6 CMR 3.00, all students must be covered by health insurance. Because the student population is generally comprised of childless adults with minimal income, the Medicaid expansion may allow students, who would otherwise purchase student health insurance, to be covered under Medicaid.

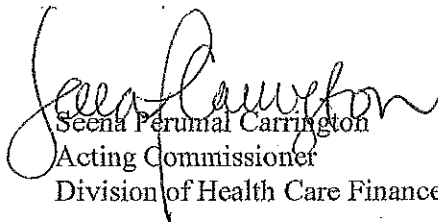
Depending on how the ACA expansion is interpreted, this expansion may diminish the Massachusetts student health insurance market by shifting students from student health insurance to Medicaid, as the Massachusetts student health insurance regulation allows students to use Medicaid to meet the student health insurance requirement. The Division respectfully requests that the Department of Health and Human Services clarify the interaction between Section 2001 of the ACA and the proposed student health insurance coverage rule. Specifically, we seek guidance on the effect of the Medicaid eligibility expansion and the student population.

Thank you for the opportunity to provide comments on the proposed rule, Student Health Insurance Coverage. The Massachusetts Division of Health Care Finance and Policy looks forward to continuing to work with the Centers for Medicare and Medicaid Services to improve the quality and value of health insurance plans offered to students.

Sincerely,



Terry Dougherty
Assistant Secretary for Finance, Executive Office for Health and Human Services
Director of the Massachusetts Office of Medicaid



Seena Perumal Carrington
Acting Commissioner
Division of Health Care Finance and Policy